

Honolulu, Hawaii

February 10, 2014

RE: H.B. No. 1853
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which
was referred H.B. No. 1853 entitled:

"A BILL FOR AN ACT RELATING TO TRUSTEES,"

begs leave to report as follows:

The purpose of this measure is to set the framework for the
establishment of directed trusts in the State by, among other
things:

- (1) Expanding the role of advisors in trust administration;
- (2) Limiting the liability of trustees for trust
administration decisions made by advisors; and
- (3) Removing the trustee's duty to diversify under the
Uniform Prudent Investor Act when a trust provision
directs the retention of property.

The Department of Commerce and Consumer Affairs' Business
Registration Division provided comments.

Your Committee has amended this measure by removing the
unused definition of "investment advisor" to enhance clarity and
consistency within the measure.



As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1853, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1853, H.D. 1, and be referred to the Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



175CR 266-14

Bill/Resolution No.: HB 1053	Committee Referral: CPC, JUD	Date: 02/05/14		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	/			
2. KAWAKAMI, Derek S.K. (VC)	/			
3. BELATTI, Della Au	/			
4. BROWER, Tom	/			
5. CACHOLA, Romy M.				/
6. CREAGAN, Richard	/			
7. EVANS, Cindy	/			
8. HAR, Sharon E.				/
9. ITO, Ken	/			
10. LEE, Chris	/			
11. NAKASHIMA, Mark M.	/			
12. OSHIRO, Marcus R.	/			
13. TSUJI, Clift	/			
14. YAMANE, Ryan I.				/
15. MCDERMOTT, Bob	/			
16. THIELEN, Cynthia	/			
TOTAL (16)	13			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				